Policy Name: 3.5 Verification

Purpose: This document contains the Office of Financial Aid’s current policies and procedures for Verification.

Disclaimer: This policy is subject to change, without notice, in order to comply with administrative and regulatory requirements. All policies and procedures below are in accordance with Title 34; Subtitle B; Chapter VI; Part 668; Subpart E of the Electronic Code of Federal Regulations (eCFR).

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Definitions and Terms:

AGI – Adjusted Gross Income
DOE – Department of Education
EFC – Expected Family Contribution
FAFSA – Free Application for Federal Student Aid
FERPA – Family Educational Rights and Privacy Act
IRS – Internal Revenue Service
Verification is an important process created by the DOE that confirms the accuracy of information submitted on the FAFSA, and requires correction of any inaccurate information. Through collecting and reviewing additional documentation, verification ensures fair and accurate distribution of federal funds during the financial aid awarding process. Additionally, the OFA may institutionally select a student’s FAFSA for verification where further clarification is needed, or to resolve conflicting data.

After completing the FAFSA, students will be notified by the DOE if they are selected for verification. An asterisk (*) appearing next to the EFC number on the SAR indicates that the student has been selected for verification. Additionally, a paragraph within the SAR explains that the student has been selected. Students selected for verification also receive regular email notifications from the OFA.

The OFA will compare information from the student’s FAFSA with other required documentation and make any FAFSA changes on the student’s behalf as necessary. Student/parents SHOULD NOT make any changes to the FAFSA during verification as it will further delay processing.

**Correspondence:**

Please note that all correspondence from the OFA will be carried out through email. Therefore, the student is responsible for checking his or her Ole Miss email account regularly. If the student does not use their Ole Miss account, it is recommended that he or she forward it to an active email account.

In addition to individual decisions about selecting students for institutional verification, the automated load of new SARs into the OFA’s system is programmed to require institutional verification if the following criteria apply:

- The student is listed as a Dependent,
- The student is eligible to receive a Federal Pell grant,
- Parent reported total income of $0.00,
- The student has not been selected by the federal processor verification.
The OFA reserves the right to require a student to verify any FAFSA information and to provide any reasonable documentation relevant to the student’s eligibility for Title IV aid.

The OFA verifies all items as mandated by the DOE. The verification tracking groups for the 2014-2015 award year are listed below.

### 2014–2015 Verification Tracking Groups

**FAFSA Information Required to be Verified**

<table>
<thead>
<tr>
<th>Verification Tracking Flag</th>
<th>Verification Tracking Group Name</th>
<th>FAFSA Information Required to be Verified</th>
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<tr>
<td>V1</td>
<td>Standard Verification Group</td>
<td>Tax Filers</td>
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<td>• Adjusted Gross Income</td>
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<td>• U.S. Income Tax Paid</td>
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<td>• Untaxed Portions of Individual Retirement Account (IRA) Distributions</td>
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<td>• Untaxed Portions of Pensions</td>
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<td>• IRA Deductions and Payments</td>
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<td>• Tax Exempt Interest Income</td>
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<td>• Education Credits</td>
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<td>• Number of Household Members</td>
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<td>• Number in College</td>
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<td>• Supplemental Nutrition Assistance Program (SNAP–Food Stamps), if included on the ISIR</td>
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<td>• Child Support Paid, if included on the ISIR</td>
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<tr>
<td>V2</td>
<td>Reserved for FSA Use Only</td>
<td>N/A</td>
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<td>V3</td>
<td>Child Support Paid Verification Group</td>
<td>Child Support Paid by the student (or spouse), the student’s parent, or both</td>
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<td>Verification Tracking Flag</td>
<td>Verification Tracking Group Name</td>
<td>FAFSA Information Required to be Verified</td>
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<td>V4</td>
<td>Custom Verification Group</td>
<td>• High School Completion Status</td>
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<td>• Identity/Statement of Educational Purpose</td>
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<td>• Child Support Paid, if included on the ISIR</td>
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<td>V5</td>
<td>Aggregate Verification Group</td>
<td>• High School Completion Status</td>
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<td>• Identity/Statement of Educational Purpose</td>
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<td><strong>Tax Filers</strong></td>
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<td><strong>Non-tax Filers</strong></td>
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<td>• Number of Household Members</td>
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<td>• Child Support Paid, if included on the ISIR</td>
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<td>V6</td>
<td>Household Resources Verification Group</td>
<td>Tax Filers</td>
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<td>• Adjusted Gross Income</td>
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<td>• Other Untaxed Income on the 2014–2015 FAFSA–</td>
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<td>• Payments to tax-deferred pension and savings (Questions 45a and 94a)</td>
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<td>• Child support received (Questions 45c and</td>
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94c) Housing, food and other living allowances paid to members of the military, clergy and others (Questions 45g and 94g)
94c) Veterans non-education benefits (Questions 45h and 94h)
94c) Other untaxed income (Questions 45i and 94i)
94c) Money received or paid on the applicant’s behalf (Question 45j)

- Education Credits
- Number of Household Members
- Number in College
- Supplemental Nutrition Assistance Program (SNAP–Food Stamps), if included on the ISIR
- Child Support Paid, if included on the ISIR

Non-tax Filers

- Income Earned from Work
- Other Untaxed Income on the 2014–2015 FAFSA–
  - Payments to tax-deferred pension and savings (Questions 45a and 94a)
  - Child support received (Questions 45c and 94c)
  - Housing, food and other living allowances paid to members of the military, clergy and others (Questions 45g and 94g)
  - Veterans non-education benefits (Questions 45h and 94h)
  - Other untaxed income (Questions 45i and 94i)
  - Money received or paid on the applicant’s behalf (Question 45j)
- Number of Household Members
- Number in College
- Supplemental Nutrition Assistance Program (SNAP–Food Stamps), if included on the ISIR
- Child Support Paid, if included on the ISIR
Part 3.5.3 Acceptable and Alternative Documentation

The DOE provides guidance and regulations regarding acceptable and/or alternative documentation used to verify the information outlined in the previous table (c.f., Federal Register, Vol. 78, No. 114, Electronic Announcement of August 21, 2012 and Dear Colleague Letter GEN-13-16).

When verifying tax and income information, the OFA will complete verification using the alternative documentation for certain circumstances as listed below:

For student/parent tax filers required to file a 2013 IRS income tax return and were granted a filing extension by the IRS:

- A copy of IRS Form 4868, “Application for Automatic Extension of Time to File U.S. Individual Income Tax Return,” that the individual filed with the IRS for the applicable tax filing year;
- If applicable, a copy of the IRS’s approval of an extension beyond the automatic six-month extension if the individual requested an additional extension of the filing time for the applicable tax filing year;
- A copy of IRS Form W-2 forms, and/or applicable tax schedules (C or F) for each source of earned income received for the applicable tax filing year; and
- If self-employed, a signed statement certifying the amount of AGI and U.S. income tax paid for the applicable tax filing year.

The OFA requests that individuals granted filing extensions submit tax information using the IRS-DRT or by obtaining a tax return transcript from the IRS after the income tax return for the applicable tax year is filed and fully processed by the IRS. In these cases, the OFA re-verifies the FAFSA information.

For filers of joint returns who are no longer married:

When dependent students’ parents filed a joint return and have separated, divorced, married someone else, or been widowed, students should submit a copy of each W-2 form for the parent whose tax information is on the FAFSA. Similarly, independent students should submit a copy of each W-2 form if filing a joint return and is separated, divorced, or a widow.

For non-tax filers:

The OFA requests that student/parent non-tax filers submit W-2 form(s), IRS 1099-MISC form(s), and/or applicable tax schedules (C or F) for each source of earned income. For any source of income not documented on the W-2 form, the OFA requires inclusion of amount(s) and source(s) of earned income on the verification worksheet, or a separate statement, which verifies amounts the sources of income earned from work not on W-2s.
and certifies that the person has not filed and is not required to file a tax return. In some cases, the OFA requires a student or parent to submit a statement of financial support documenting household expenses, the amounts and sources of income, and any other pertinent information documenting financial support of the household.

The OFA requires residents of the Freely Associated States (the Republic of the Marshall Islands, the Republic of Palau, or the Federated States of Micronesia), to submit a copy of the wage and tax statement from each employer and a signed statement identifying all of the person’s income and taxes for the applicable tax year.

Persons from a foreign country who are not required to file a tax return are required to submit the foreign tax return (with translated information), or a signed statement certifying their income and taxes paid.

If there is reason to believe that a person would have been required to file a U.S. tax return, the OFA may request that the student/parent non-tax filer submit the IRS “Verification of Non-filing” transcript. Note: verification of non-filing is not an indication that the person is not required to file a tax return, just that the tax filer did not file one. Also, the OFA will not accept confirmation of non-filing status for an upcoming aid year if the documentation is dated prior to June 15.

In some cases, when the OFA suspects the student/parent must file a tax return, the OFA will not complete verification until a return is filed and fully processed by the IRS (so that the student/parent could use the IRS-DRT, or request an IRS tax return transcript).

For student/parent tax filers who file (or will file) an amended tax return:

• a signed copy of IRS form 1040X “Amended U.S. Individual Income Tax Return,” AND
• a signed copy of the original tax return for the applicable tax filing year, OR
• a tax return transcript or any IRS transcript (such as the RTFTP, return transcript for tax payer) for the applicable tax filing year that includes all income and tax information required to be verified: Adjusted Gross Income, income tax paid, education credits, etc., AND
• all W-2 forms and applicable tax schedules (C or F) for the applicable tax filing year

For student/parent tax filers who are victims of identity theft as related to tax-filing purposes:

Tax filers who were victims of identity theft as related to tax-filing purposes, who are unable to use the IRS Data Retrieval Tool or receive from the IRS a tax return transcript, must call the IRS’s Identity Protection Specialized Unit (IPSU) at 1-800-908-4490. Upon authentication of the tax filer’s identity, the IRS will provide to the tax filer, by mail, and alternate paper tax return transcript known as the Transcript Database View (TRDBV) which may then be submitted to the OFA in order to complete verification.
Part 3.5.4 Verification Deadlines

The deadline for verification (as determined by the DOE) is usually September 29th or 120 days after the student’s last date of enrollment, whichever date is earlier.

Part 3.5.5 Verification Exemptions

The OFA may choose not to verify an applicant’s FAFSA data in certain cases. However, these exemptions do not excuse the Office of Financial Aid from its requirement to resolve conflicting information.

The OFA will not verify an applicant’s FAFSA data if:

- The applicant dies;
- The applicant does not receive assistance under the Title IV, HEA programs for eligibility reasons other than failure to verify FAFSA information;

The OFA will verify an applicant’s FAFSA data if:

- The applicant is eligible to receive only unsubsidized student financial assistance; OR
- The applicant transfers to Ole Miss, even if verification has been performed at the prior institution.

Unless the OFA has reason to believe that the information reported by a dependent student is incorrect, it need not verify the applicant's parents' FAFSA information if:

- The parents are residing in a country other than the United States and cannot be contacted by normal means of communication;
- The parents cannot be located because their contact information is unknown and cannot be obtained by the applicant; or
- Both of the applicant's parents are mentally incapacitated.

Unless the Office of Financial Aid has reason to believe that the information reported by an independent student is incorrect, it need not verify the applicant's spouse's information if:

- The spouse is deceased;
- The spouse is mentally incapacitated;
- The spouse is residing in a country other than the United States and cannot be contacted by normal means of communication; or
- The spouse cannot be located because his or her contact information is unknown and cannot be obtained by the applicant.
Part 3.5.6  Process for Updating Information

The OFA completes the verification process in four steps:

1. Collection of acceptable documentation
2. Review of collected documentation
3. Request for additional documentation/information, corrections to FAFSA or corrections to student/parent tax documents as needed
4. Verification corrections made, as needed, to the student’s FAFSA once the review process is completed

Part 3.5.7  Consequences for FAFSA Data Changes

Changes in an applicant’s FAFSA may result in:

- A change in the student’s eligibility or ineligibility for federal, state, or institutional need-based aid
- Paybacks on any federal financial aid already awarded

The OFA utilizes both “Already Verified” and “Previously Awarded” reports. If an adjustment must be made to a student’s packaging due to a change in the student’s FAFSA info (made by the OFA, the student, parent, or another institution) – the OFA will notify the student if those changes are justified.

Part 3.5.8  Process for Interim Disbursements

The OFA does not currently allow for interim disbursements.

Part 3.5.9  Conflicting Data

If any verified FAFSA data is changed after verification by the student/parent or another institution and conflicts with the FAFSA data that has already been verified by the OFA, the OFA will:

- Return all verified data to the values confirmed after the OFA’s previous verification process, and;
- Make needed adjustments to the student’s financial aid awards

The OFA may resolve conflicting FAFSA data by contacting the student and/or parents directly, or through the PJ process.
Part 3.5.10  Process for Referring Overpayment Cases to the DOE

In the case of overpayment of federal funds to a student’s bursar account, the OFA will:

- Reimburse the Department of Education for the overpayment amount
- Charge the student's bursar account for the equivalent overpayment amount

Part 3.5.11  Notification Methods

Through July 1st, all incoming freshmen who are flagged for verification will be mailed paper letters to their permanent mailing address which contain detailed information on the process and how to complete it for the upcoming year. Thereafter, they will receive email prompts to their Ole Miss email address. Continuing undergraduate students and all graduate/professional students will be notified via email.

During the Verification Process

During the verification process, students will be notified by the OFA by email and/or phone when additional documentation or information is needed.

Students selected for the verification process will receive emails with information explaining the student’s current status and required actions.

When the verification process is complete and financial aid has been awarded, the student will be notified. Incoming freshmen will receive an initial paper notification. Continuing undergraduate students and graduate/professional students will receive notification via email.

The OFA will disclose or discuss FAFSA information with any reporting parent or spouse listed on the FAFSA. Authority to do so is provided by virtue of their signature on the FAFSA and verification worksheet.
After conducting the review of an applicant’s FAFSA information, any credible information indicating that an applicant for Title IV assistance may have engaged in fraud or other criminal misconduct in connection with his/her application may be reviewed for referral to the DOE Office of Inspector General.

Examples of cases that the OFA may refer to the DOE include but are not limited to:

- False claims of independent student status;
- False claims of citizenship;
- Use of false identities;
- Forgery of signatures or certifications;
- False statements of income